Answering the lies that privatization zealots and FedEx are peddling

The Post Office is not broke—and it hasn’t taken any of our tax money since 1971

CONSIDER 50c. What does that buy these days? Not a cuppa joe—that’ll cost you two bucks at Starbucks, and even McDonald’s wants a dollar for a small. Nor will it get you a newspaper, a pack of gum, a shoe shine, or a bus token. And Walmart, which promotes itself as the palace of cheap, sells practically nothing for a half-buck.

There’s one place, though, where you can get a steal of a deal for a fifty-cent piece: your local post office. Put down two quarters or five dimes there, and you’ll get a first-class stamp in return... and you’ll even get a nickel in change. Slap that 45-cent stamp on a letter, drop it in the mailbox, and our nation’s postal workers will move your missive across town or clear across country—hand delivering it to any address in America within three days (42 percent arrive the very next day, and 27 percent more get where we want them to go within two days).

Each day, six days a week, letter carriers traverse four million miles totting an average of 563 million pieces of mail, reaching the very doorsteps of our individual homes and workplaces in every single community in America. They ride snowmobiles to reach iced-in villages, for example, fly bush planes into outback wilderness areas that have no roads, run Mail Boats out to remote islands in places like Maine and Washington state, and even use mules on an eight-mile trail to bring mail to the 500 members of the Havasupai tribe of Native Americans living on the floor of the Grand Canyon.

From the gated enclaves and penthouses of the über-wealthy to the inner-city ghettos and rural colonias of America’s poorest families, the US Postal Service literally delivers. All that for 45 cents. And if you’ve written the wrong address or your recipient can’t be found, you’ll get your letter or package back for no charge. The USPS is an unmatched bargain, a civic treasure, a genuine public good that links all people and communities into one nation.

So, naturally, it must be destroyed.

The postal panic of 2012

For the past several months, the laissez-fairylahnd blogosphere, assorted corporate front groups, a howling pack of congressional right-wingers, and a bunch of lazy mass media sources have been pounding out a steadily rising drumbeat to warn that our postal service faces impending doom: It’s “broke,” they exclaim, the situation “is dire,” USPS “nears collapse,” it’s “a full-blown financial crisis!” This is the year, they insist, that the whole shebang will implode: The PBS NewsHour recently alarmed viewers about “a complete shutdown this winter,” and even the current Postmaster General Patrick Donahoe, has added to the din by declaring, “we’ll be out of cash next August.”

According to this gaggle of gloomsayers, the national mail agency is bogged down with too many overpaid workers and costly brick-and-mortar facilities, so it can’t keep up with the instant messaging of internet services and such nimble corporate competitors as FedEx. Thus, say these contrivers of their own conventional wisdom, the Postal Service is unprofitable, is costing taxpayers billions of dollars a year in losses, and is plummeting irreversibly into bankruptcy.

Wrong, wrong, and wrong. I realize that the Powers That Be never allow truth to get in the way of their policy intentions, but—come on—three strikes and you’re out! Let’s examine:

UNPROFITABLE. So what? When has the Pentagon ever made a profit? Never, nor does anyone suggest it should. Neither has the FBI, Centers for Disease Control, FDA, State Department, FEMA, Park Service, etc. Producing a profit is not the purpose of government—its purpose is service. And for two centuries—from 1775, when the Continental Congress chose Benjamin Franklin to be our fledgling nation’s first...
HEALTH CARE AS LUXURY COMMODITY

IN THESE TIMES of cold, health-care austerity, it reaffirms one’s faith in humanity to learn that many hospitals are going the extra mile to provide top quality care for all.

For all super-rich people who can buy their way into “amenities units” that have quietly been built into secluded sections of many hospitals. It’s not medical care that they’re peddling to the elite, but the personal pampering that the super-rich expect in all aspects of their lives. “I was supposed to be in Buenos Aires last week taking tango lessons,” a Wall Street executive explained matter-of-factly to a New York Times reporter, “but unfortunately, I hurt my back, so I’m here with my concierge.”

A hospital with a concierge? Yes. This one’s called Eleven West, an exclusive wing of New York’s Mount Sinai Medical Center. “We pride ourselves on getting anything the patient wants,” beamed Eleven West’s director of hospitality. “If they have a craving for lobster tails and we don’t have them on the menu, we’ll go out and get them.”

From New York to LA, hospitals that draw huge subsidies from us taxpayers (and often are so overcrowded that regular patients are lucky to get a gurney in the hallway) have set aside entire floors for $2,400-a-day suites with butlers, five-star meals, marble baths, imported bed sheets, special kitchens, etc. for swells who have both insurance and cash to burn. Forget the common good, the plutocratic elite want health care as a luxury commodity. If you’re interested in health care as a fundamental human need, contact Physicians for a National Health Program: www.pnhp.org.

Postmaster General—until 1971, when Richard Nixon’s Postal Reorganization Act took effect—America’s nationwide network of post offices was fully appreciated as a government service.

In fact, the Post Office Department was considered such an important function of public affairs that it was explicitly authorized by the founding document of our nation’s government (Article I, Section 8 of the Constitution). The founders would’ve laughed their wigs off had anyone proposed that the existence of such an essential civic agency be dependent on its profitability. Be efficient and fincally responsible, yes, but the bottom line for the Post Office was delivering a public service for the good of all the people.

But, Nixon happened. His presidency gave laissezfaire ideologues a long-sought opening to insert blasting caps into the structural framework of government.

The first big success was the 1971 “reform” that shuttered the public service model by imposing a bottom-line profit mentality on the agency and installing a corporate form of governance over it. “Run it like a business,” was the political demand of the rich-wing think tankers, Nixonians, and congressional fixers.

So, overnight, the cabinet-level Post Office Department that was overseen by Congress and funded by taxpayers was transformed into today’s Postal Service, overseen by a Board of Governors and funded by postage sales. Technically, USPS is an independent agency of the executive branch, but operational authority is in the hands of the 11-member board (whose acronym, aptly enough, is “BOG”—as in a morass that prevents progress).

Will it surprise you to learn that the BOG tends to be quite corporate? From 2005 until last year, for example, one of its most influential members was James Miller III, who was Ronald Reagan’s budget director and a longtime proponent of totally privatizing mail service.

He’s a product of such right-wing Koch-funded outfits as the American Enterprise Institute and Citizens for a Sound Economy (now called Americans for Prosperity) that are ardent pushers of postal privatization.

Also, prior to the 1971 transformation, the Postmaster General had status as a cabinet official appointed by the president and confirmed by the senate. Now, though, the top postal executive is hired and fired by the board. This helps explain why incumbent Donahoe—who started as a postal clerk and rose through the ranks to the PShare—has been a willing member of the sledgehammer crew that’s out to “save the service” by demolishing it.

TAXPAYERS. The anti-government ideologues have had to concede that profit’s not the point, but still they groan that USPS is losing billions of dollars a year. Why should hard-pressed taxpayers be expected to keep shoveling money from the public treasury into this loser of a government agency?

They’re not. IMPORTANT FACTOID NUMBER 1: Since 1971, the postal service has not taken a dime from taxpayers. All of its operations—including the remarkable convenience of 32,000 local post offices (more service outlets than Walmart, Starbucks, and McDonald’s combined)—are paid for by peddling stamps and other products.

But wait, what about those annual losses? Good grief, squawk the Chicken Littles, USPS has gone some $13 billion in the hole during the past four years—a private corporation would go broke with that record! (Actually, private corporations tend to go to Washington rather than go broke, getting taxpayer bailouts to cover their losses.) IMPORTANT FACTOID NUMBER 2: The Postal Service is NOT broke. Indeed, in those four years of loudly deplored “losses,” the Service actually produced a $700 million operational profit (despite the worst economy since the Great Depression).

What’s going on here? Right-wing sabotage of USPS financing, that’s what. In 2008, the Bush White House and Congress whacked the post office with the Postal Accountability and Enhancement Act—an incredible piece of ugliness requiring the agency to PRE-PAY the health care benefits not only of current employees, but also of all employees who’ll retire during the next 75 years. Yes, that includes employees who’re not yet born! No other agency and no corporation has to do this. Worse, this ridiculous law demands that USPS fully fund this seven-decade burden by 2016. Imagine the shrieks of outrage if Congress tried to slap FedEx or other private firms with such an onerous requirement. This politically mandated mandate is costing the Postal Service $5.5 billion a year—money taken right out of postage revenue that could be going to services. That’s the real source of the “financial crisis” squeezing America’s post offices.

But it’s not the only focus pocus that has falsely fabricated the public perception that our mail agency is “broke.” Due to a 40-year-old accounting error, the federal Office of Personnel Management has overcharged the post office by as much as $80 billion for payments into the Civil Service Retirement System. This means that, far from being a drain on the public treasury, USPS has had billions of its sales dollars erroneously diverted into the treasury. Restore the agency’s access to its own postage money, and the impending “collapse” goes away.

BANKRUPTCY. That’s all well and good, claim postal agency opponents, but there’s no disputing the fact that government-delivered mail is a quaint idea whose time has gone. They point out that USPS’s first-class business has fallen by about 7.5 percent in each of the past couple of years, and even Postmaster Donahoe says flatly, “That’s not going to change.” This funeral school of despair breaks into two groups: “Kill it” and “Shrink it.”

The killers are the outright privatizers who’ve pushed for decades to get the post office out of... well, out of our mailboxes. In the 1960’s, AT&T chairman Fred...
Kapel headed a presidential commission on postal reform, and he told a congressional panel, “If I could, I’d make the Post Office a private enterprise.” He couldn’t, but he did set down the marker that remains the Holy Grail of the corporate elite. Unsurprisingly, FedEx CEO Fredrick Smith (a former board member of the Koch boys’ Cato Institute) has been the leading corporate champion for, as he put it in 1999, “closing down the USPS.”

The greater danger at the moment, however, are the shrinkers. They propose to fix the proud public down the USPS. “Instead, corporate elites are out to shove America’s democratic society united by pursuit of the common good and energized by the spirit of “together we can.” Instead, corporate elites are out to shove America’s Big Idea of creating a democratic society united by pursuit of the common good and energized by the spirit of “together we can.” Instead, corporate elites are out to shove America’s Big Idea of creating a democratic society united by pursuit of the common good and energized by the spirit of “together we can.”

Republican Senator Susan Collins of Maine is among the people of common sense who recognize that the post office “cannot expect to gain more business, which it desperately needs, if it is reducing service.” Likewise, Fredric Rolando, head of the National Association of Letter Carriers, sees that compromising “high-quality service” is a boneheaded business move. “Degradation standards not only hurts the public and the businesses we serve; it’s also counterproductive for the Postal Service because it will drive more people away from using the mail.”

Small minds at work

The attack of the shrinkers and killers is another sad (and shameful) product of our nation’s current crop of no-can-do “leaders” (see December 2011 Lowdown). They’ve given up on America’s Big Idea of creating a democratic society united by pursuit of the common good and energized by the spirit of “together we can.” Instead, corporate elites are out to shove America’s greatness into a shriveled ethic that says, “I got mine, you get yours.”

While it’s certainly true that emails and tweets are faster than mail, there remains a vast demand for postal services, especially where broadband internet does not reach (50 percent of rural residents, 35 percent of all Americans), as well as when hard copy and physical delivery are essential. FedEx has its place, but its self-serving priority is always to go after maximum profit—it has no interest in or ability to deliver universal service at an affordable price to the whole nation.

Postal privatizers and downsizers have reams of data on the price of everything USPS does—but they are completely unable to calculate value. They don’t give a whit either that their model of “service” would leave out entire groups of people, communities, and businesses, or that they’d be taking away much more than mail from millions of fellow citizens.

Despite the right-wing denigration heaped on the this public service, ordinary folks still feel personally attached to their post office and mail carriers. Sure, there are complaints and some horror stories, but there are many more (though less reported) stories of extraordinary service and simple human kindness by postal workers, which is why the agency has been named the most trusted in government for six straight years.

The post office is more than a bunch of buildings—it’s a community center and, for many towns, an essential part of the local identity, as well as a tangible link to the rest of the nation. As former Sen. Jennings Randolph poignantly observed, “When the local post office is closed, the flag comes down.” The corporate crowd doesn’t grasp that going after this particular government program is messing with the human connection and genuine affection that it engenders.

But then, all you need to know about that crowd’s sensitivity to our people’s deeper values is that the list of 3,700 postal facilities suggested for closure includes the historic Franklin Post Office in Philadelphia. It is located on the very site of Old Ben’s house in Franklin Square, right next door to the US Postal Service Museum. And, get this, in an especially tender touch, the Franklin office received notice that it was going on the chopping block last July 26—exactly 236 years to the day in 1775 when the Continental Congress enacted Franklin’s proposal to establish a national post office for our fledgling democracy.

PITY THE POOR rich these days—not the merely rich, but the mega-ones, those precious few who’re among the richest one-tenth of one percent of Americans.

Yes, they have it all. But they also have something they don’t want: widespread public disapproval. Living on the penthouse floor of the one-percent class, they’re also aghast, annoyed, angered—and afraid—because the Occupy Wall Street movement has turned a spotlight on their elite lives in a time of swelling poverty.

According to their servants, multimillionaires are puzzled: “Why target me?” they ask. Poor babies, like their patron political saint, Mitt Romney, they’re pained that the rich are disdained for their extravagance: “We worked hard, we went to college, we tried to better our lives,” they wail. “Isn’t that what I’m supposed to do?”

Gosh, it makes me want to rush out and buy them a clue. But, instead of getting a clue about the inequality and downward mobility they have either caused or passively accepted, many comfort themselves with other purchases. Some make lifestyle gestures, such as buying a hybrid Lexus rather than that souped-up Mercedes. They’re choosing not to flaunt their wealth “because of what’s going on.”

Others though, want to flaunt. So, they’re simply spending more on protecting themselves. A risk advisory consultant in New York City, whose clients are Wall Street executives with net worths averaging $100 million each, says that spending on bodyguards, security-trained chauffeurs, guard dogs, video surveillance cameras, security systems, and other personal security personnel quadrupled last year.

The one-percenters suffer in ways that we 99-percenters can’t even imagine.
POLISHING THE APPLE

Think large
The biggest lie of all is that USPS is an antiquated, unnecessary, failing civic institution that simply must give way to electronic technology and corporate efficiency. This is nothing but ideological hogwash spewed by private profiteers and political quislings. Obviously, the Postal Service is no longer the only player making the rounds, and it must make some major adjustments to find its proper fit and new opportunities in the marketing and public service mix. But this requires top management and political overseers to be a bit more creative and business-like than constantly cutting, closing, outsourcing, eliminating—and giving in to the bashers and slashers.

This is the time to innovate, offer new services and products—don’t shrink, expand! Start with three phenomenal assets that USPS has: (1) that network of 32,000 retail outlets (many of them historic and even works of art) that form the most extensive local presence of any business or government in America, drawing more than seven million people into them each day; (2) an experienced, smart, skilled, and dedicated workforce of nearly 600,000 middle-class Americans who live in the communities they serve and are brimming with ideas and energy to move the Postal Service forward—if only those at the top would listen and turn them loose; and (3) the general good will of the public, which sees their local post office and its employees as “theirs,” providing useful services and standing as one of their core civic institutions (in a 2009 Gallup Poll, 95 percent of Americans said it was personally important to them that the Postal Service be continued).

Let’s build on those big pluses. This is one government program that really works for the people, but it can work better and do more. Here are just a few ideas:

■ Go digital. John Nichols reports in The Nation magazine that USPS already has the world’s third-largest computer infrastructure, including 5,000 remote locations with satellite internet service. Expand that into a handy consumer service offering high-speed broadband all across the country. Rather than bemoan the loss of postal business to the internet, become an internet hot spot in town after town for universal email, digital scanning and forwarding of documents, etc.

■ Expand the store. Sen. Bernie Sanders wants to let post offices sell products and services that they’re now barred from offering (thanks to corporate opposition and congressional meddling). Sanders suggests allowing sales of cell phones, delivery of wine, selling fishing licenses, notarizing documents, etc. This would be a boon to the people in poor neighborhoods and rural areas who don’t have convenient access to such services.

■ Seven days. Instead of reducing service, be the only entity that offers reliable delivery service to every community in the country, seven days a week.

■ Bank here. From 1910 until bank lobbyists killed it in 1966, a Postal Banking System operated successfully through local post offices all across the land. It offered simple, low-cost, federally insured savings accounts to millions of “unbanked” Americans who couldn’t meet the minimum deposit requirements of commercial bankers or afford their fees. Today, banks are even less interested in servicing the steadily rising number of poor people, leaving them to the un-tender mercies of payday lenders and check-cashing chains. So let’s bring this small-deposit banking system back into our easily accessible and familiar neighborhood post offices to serve these people and create loan funds for investments in local communities.

America’s postal service is just that—a true public service, a grassroots people’s asset that has even more potential than we’re presently tapping to serve the democratic ideal of the common good. Why the hell would we let an elite of small-minded profiteers, ranting ideologues, and their political hirelings dropkick this jewel through the goalposts of corporate greed? This is not a fight merely to save 32,000 post offices and the middle-class jobs they provide—but to advance the BIG IDEA of America itself, the bold, historic notion that “Yes, we can” create a society in which we’re all in it together.

That’s worth fighting for, which means that you and I must add our voices and grassroots activism to those who’re daring to confront the cants and greed of the privatizer elite. It means standing up to them, but most importantly standing up for ourselves, our values, our country.